

1. (Currently amended) A method of conducting electronic commerce over the Internet using micropayments, the method comprising:

opening a user account with a vendor for a user;

issuing one or more electronic tokens from the vendor to the user account without requiring communication with a financial institution, and adding the one or more electronic tokens issued by the vendor to the user account, wherein no physical manifestation, other than a database entry, of the user account occurs, each electronic token having a value of at least a fraction of a dollar;

providing products and services that may be purchased from the vendor at micropayment levels, wherein prices for the products and services are listed in units of electronic tokens;

permitting the user to select, at any participating vendor web site, a subset of the products and services for purchase from the vendor;

computing at the participating vendor web site a total price for the selected subset of the products and services in units of electronic tokens;

authorizing a purchase transaction at the participating vendor web site without requiring any third party authentication and a physical manifestation of the user account; and

if the user account contains electronic tokens having a value equal to or greater than the total price, permitting the user to purchase the selected subset of the products and services without requiring the user to disclose personal information to the vendor, and subtracting the total price from the user account, wherein the purchase transaction is not subject to a minimum processing fee.

2. (Original) The method of claim 1, wherein issuing one or more electronic tokens from the vendor to the user comprises permitting the user to purchase the one or more electronic tokens from the vendor.

3. (Original) The method of claim 2, wherein permitting the user to purchase the one or more electronic tokens from the vendor comprises permitting the user to conduct an on-line transaction using a credit card to purchase the one or more electronic tokens.

4. (Original) The method of claim 2, wherein permitting the user to purchase the one or more electronic tokens from the vendor comprises permitting the user to conduct an off-line transaction to purchase the one or more electronic tokens.

5. (Original) The method of claim 4, wherein permitting the user to conduct an off-line transaction to purchase the one or more electronic tokens comprises permitting the user to use a purchase order to purchase the one or more electronic tokens.

6. (Original) The method of claim 4, wherein permitting the user to conduct an off-line transaction to purchase the one or more electronic tokens comprises permitting the user to request to be billed for the one or more electronic tokens.

7. (Original) The method of claim 4, wherein permitting the user to conduct an off-line transaction to purchase the one or more electronic tokens comprises permitting

the user to use phone, fax, mail, or e-mail to purchase the one or more electronic tokens.

8. (Original) The method of claim 4, wherein permitting the user to conduct an off-line transaction to purchase the one or more electronic tokens comprises permitting the user to purchase electronic tokens without using a credit card.

9. (Original) The method of claim 1, wherein issuing the one or more electronic tokens comprises setting a price for the one or more electronic tokens, the price determined by the vendor.

10. (Original) The method of claim 1, wherein opening a user account with a vendor comprises registering the user with the vendor.

11. (Original) The method of claim 10, wherein registering the user with the vendor comprises recording personal information about the user in a database maintained by the vendor.

12. (Original) The method of claim 11, wherein registering the user with the vendor comprises acquiring personal information about the user through off-line communications.

13. (Original) The method of claim 10, wherein opening a user account with the vendor further comprises issuing a predetermined minimum number of electronic tokens to the user.

14. (Original) The method of claim 1, further comprising issuing additional electronic tokens to the user.

15. (Original) The method of claim 14, wherein issuing additional electronic tokens to the user comprises permitting the user to purchase additional electronic tokens if the user account does not contain enough electronic tokens to cover the total price of the selected subset of products and services.

16. (Original) The method of claim 14, wherein issuing additional electronic tokens to the user comprises permitting the user to purchase additional electronic tokens through an on-line transaction using a credit card, without disrupting a process of selecting products and services.

17. (Original) The method of claim 1, further comprising displaying a number of available electronic tokens in the user account on a computer screen.

18. (Original) The method of claim 1, wherein providing products and services that may be purchased through the vendor comprises providing software to be purchased or rented in exchange for electronic tokens.

19. (Original) The method of claim 18, wherein providing software to be purchased or rented comprises providing software that is rented for a limited time.

20. (Original) The method of claim 18, wherein providing software to be purchased or rented comprises providing software that is rented for a limited number of uses.

21. (Original) The method of claim 18, wherein .

providing software to be purchased or rented comprises providing software that is rented for processing a given task for a specific number of times.

22. (Original) The method of claim 18, wherein providing software to be purchased or rented further comprises permitting the user to extend the software rental in exchange for electronic tokens.

23. (Original) The method of claim 18, wherein providing software to be purchased or rented further comprises permitting the user to convert rental software to purchased software in exchange for electronic tokens.

24. (Original) The method of claim 18, wherein providing software to be purchased or rented further comprises determining if a selected software program is already installed on a user's computer, downloading and installing the selected software program if the selected software program is not already installed on the user's computer, and sending an authorization code, without downloading the selected software program, if the selected software program is already installed on the user's computer.

25. (Original) The method of claim 1, further comprising transferring electronic tokens from the user to a second user.

26. (Original) The method of claim 1, wherein providing products and services that may be purchased through the vendor comprises listing products and services for sale by one or more users of a Web site maintained by the vendor.

27. (Currently amended) A server operated by a vendor that provides products for sale or rental over the Internet, the server comprising:

a network interface through which the server communicates with a user over the Internet;

a database;

a memory;

a processor that executes software stored in the memory, the software including one or more programmed routines, the programmed routines comprising:

a registration routine that opens a user account with a vendor in the database for the user;

an electronic token sale routine that issues one or more electronic tokens from the vendor to the user account ~~without requiring communication with a financial institution, and adds the one or more electronic tokens to the user account,~~ wherein no physical manifestation, other than a database entry, of the user account occurs, each electronic token having a value of at least a fraction of a dollar;

a display routine that displays the prices of the products in units of electronic tokens;

a selection routine that permits the user to select, at any participating vendor web site, a subset of the products for purchase from the vendor without requiring the user to disclose personal information to the vendor, a total price of the subset of the products being computed in units of electronic tokens;

authorizing a purchase transaction at the participating vendor web site without requiring any third party authentication and physical manifestation of the user account;

a purchase routine that determines if the user account contains electronic tokens having a value equal to or greater than the total price, and if so, subtracts the total price from the user account, wherein the purchase transaction is not subject to a minimum processing fee; and

a download routine that enables the use to download the selected subset from the Internet.

28. (New) The method of claim 10, wherein registering the user with the vendor enables the user to make purchases from at least one other vendor using registration information.